



HOUSE BILL 1044: Averasboro Township TDA Changes

2013-2014 General Assembly

Committee: Occupancy Tax Subcommittee
Introduced by: Rep. Lewis
Analysis of: First Edition

Date: June 10, 2014
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Committee Counsel

SUMMARY: *House Bill 1044 makes changes to the composition, meeting requirements, and authority of the Averasboro Township Tourism Development Authority (the Authority).*

CURRENT LAW: The Authority was created in 1987 by S.L. 1987-142 and is charged with developing, promoting, and advertising travel and tourism in Averasboro Township; sponsoring tourist-oriented events and activities; operating and maintaining museums and historic sites; and purchasing, operating, and maintaining a convention facility.

The Authority meets at the call of the chair and is currently composed of seven members as follows:

- Two members appointed by the board of commissioners from nominations submitted by the Dunn Area Chamber of Commerce, one who is a hotel or motel operator from Averasboro Township and one who is a representative of the travel industry.
- The Harnett County Manager, ex officio.
- The Harnett County Commissioner representing Averasboro Township, ex officio.
- The President of the Dunn Area Chamber of Commerce, ex officio.
- The Vice President of Economic and Industrial Development of the Dunn Area Chamber of Commerce, ex officio.
- The City Manager of the Town of Dunn, ex officio.

The Finance Officer for the Harnett County serves as the ex officio finance officer of the authority. The township is required to remit the net proceeds of occupancy tax collected to the Authority on a quarterly basis.

BILL ANALYSIS: The bill increases the membership of the Authority from seven to nine members and alters the qualifications for membership. The membership of the Authority would change to:

- Three members, appointed by the Authority from applications submitted to the Authority, who are a hotel, motel, or bed and breakfast operator from Averasboro Township.
- One individual currently active in tourism promotion and who does *not* own or operate a hotel, motel, or other taxable tourist accommodation, to be appointed by the Authority from applications submitted to the Authority.
- One individual currently active in tourism promotion and who does *not* own or operate a hotel, motel, or other taxable tourist accommodation. This individual will be the President of the Dunn Area Chamber of Commerce or a designee to be appointed by the Board of Directors of the Dunn Area Chamber of Commerce.
- The Harnett County Manager, ex officio.



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- A Harnett County Commissioner representing Averasboro Township, ex officio.
- The City Manager of the Town of Dunn, ex officio.
- A city council member of Dunn, appointed by the Dunn City Council, ex officio.

Under the bill, the Finance Officer for the City of Dunn replaces the Finance Officer of Harnett County as the ex officio finance officer of the Authority.

Additionally, the bill creates the position of vice-chair, designated by the Authority; requires the Authority to meet monthly, or at the call of the chair; directs the township to remit the net proceeds of the occupancy tax to the Authority on a monthly basis (as opposed to quarterly); and gives the Authority the ability to finance tourist-related capital projects in Averasboro Township.

EFFECTIVE DATE: The act is effective when it becomes law and applies to the distribution of the net proceeds of the occupancy tax on or after the earlier of October 1, 2014, or the date specified in a resolution adopted in accordance with this act.

Shelly DeAdder, counsel to House Government, substantially contributed to this summary.